

Missouri Department of Corrections

Intervention Fee

Frequently Asked Questions

In May 2005, HB700 was passed by the Missouri legislature, and subsequently signed into law by Governor Matt Blunt in July 2005. The statute change authorized the Missouri Board of Probation and Parole the discretion to charge each offender on supervision a fee of up to \$60 per month, to provide intervention services. In the HB700 signing statement, Governor Blunt stated:

“The fee is a good example of appropriate cost sharing and will provide needed funding for corrections services at the expense of offenders.”

The following questions and responses provide information on the development of the Intervention Fee, and opportunities for the expanded use of the fee through FY09 new decision items.

Do other states collect an Intervention Fee?

The majority of states charge some type of fee, usually called a supervision fee. The first known P&P supervision fee occurred in 1929 in the State of Michigan. In 2001 survey, 37 states reported collecting a supervision fee from clients which range from \$5-\$75/month.

By what authority is the Intervention fee collected?

The Intervention Fee statute change, which became law in July 2005, reads as follows (RSMo 217.690.3):

- *The board has discretionary authority to require the payment of a fee, not to exceed sixty dollars per month, from every offender placed under board supervision on probation, parole, or conditional release, to waive all or part of any fee, to sanction offenders for willful nonpayment of fees, and to contract with a private entity for fee collections services.*
- *All fees collected shall be deposited in the inmate fund established in section 217.430.*
- *Fees collected may be used to pay the costs of contracted collections services.*
- *The fees collected may otherwise be used to provide community corrections and intervention services for offenders. Such services include substance abuse assessment and treatment, mental health assessment and treatment, electronic monitoring services, residential facilities services, employment placement services, and other offender community corrections or intervention services designated by the board to assist offenders to successfully complete probation, parole, or conditional release.*
- *The board shall adopt rules not inconsistent with law, in accordance with section 217.040, with respect to sanctioning offenders and with respect to establishing, waiving, collecting, and using fees.*

When did Intervention Fee collections begin in the State of Missouri?

The collection of the Intervention Fee began in April 2006.

If the Intervention Fee became law in July 2005, why did it take until April 2006 to begin collecting fees?

The agency had to develop the infrastructure for the collection of this new fee, including:

- Determine whether fee collection would be contracted or performed by new or existing state employees (Contract method selected).
 - Create a request for proposal for collection services.
 - Work with the Office of Administration to select a vendor.
 - Share information with the vendor on the needs of the agency and the staff role in the collection effort.
 - Create a disaster recovery method.
 - Develop a method to pass fee collections through the vendor to the State of Missouri.
- Develop an Administrative Rule in support of the Intervention fee.
- Identify the monthly fee requirement (\$30 per month selected).
- Create a billing and collection process.
- Establish a refund routine for offenders that have paid in advance and are subsequently released from supervision early.
- Develop an agency policy and procedure, including guidelines for supervising officers relative to:
 - Monitoring of payment effort
 - Non-compliance
 - Standards for supervision violations
 - Income determination for waiver determinations
 - Case management and documentation requirements
- Establish guidelines for the waiver of intervention fee due to financial condition or special case status, as authorized in the statute.
- Communicate to those impacted by the plan through letters, posters, and press releases, including:
 - Courts/Parole Board
 - Prosecutors
 - Offenders
 - DOC Staff
 - Office of Administration
 - Citizens
- Modify existing DOC publications (“Rules and Regulations Governing the Conditions of probation and Conditional Release”)
- Revise the standard supervision orders for the Court and Board to include the Intervention Fee as a condition of supervision.
- Train staff on the procedure changes.
- Develop a web-site with the vendor to assist with monitoring and collection efforts and as a primary communication tool for staff on case status and changes/updates in the area of fee collection.

Why was \$30 per month selected as the monthly Intervention Fee?

The average fee charged by other states determined in the 2001 survey noted above, was in the \$30 range. Also, in a 1988 study (*"Probation Supervision Fees, Shifting Costs to the Offender"*, 1988, Charles R. Mass), indicated the "optimal fee" rate was identified as \$15 to \$17. On an inflation adjusted basis (1988 - 2007), the \$15 to \$17 fee equates to \$27.73 - \$29.16. The \$30 per month fee, given the various waivers/exemptions that are available, was viewed as consistent with the optimal fee rate.

What sanctions are used for failure to pay the Intervention Fee?

The following graduated sanction options for non-compliance are available:

- Verbal or written reprimand
- Increased level of supervision
- Travel restriction
- Curfew
- Notice of Citation
- Violation Report
- Court hearing or review
- Community service
- Shock incarceration

The agency practice is to not recommend revocation for Intervention Fee violations.

What does the agency do when a billing error occurs?

There is a refund process if a payment was made in error. If an account has been billed in error, but no payment made, the account can be corrected through the action of a District Administrator.

Do offenders that are financially indigent have to pay the Intervention Fee? Do all offenders that are financially able to pay get billed on a monthly basis?

No. The following offenders are exempted from payment based on their case status:

- Deferred prosecution
- Drug court
- Pretrial supervision
- Living in another state

The following clients are allowed temporary payment waivers based on their personal situation:

- Insufficient income (2007 US Dept. Of Health and Human Services Poverty Guidelines)
- Confined in local jail (More than 30 days)
- Pending transfer out of state
- Recently released from the Missouri Department of Corrections on Parole or Conditional Release Status (Waived for first 90 days after release).
- Judicial Waivers (Court directive to agency not to collect the Intervention Fee).

For the income waiver, what wage is used to determine whether the client has insufficient income?

The offender's gross wages are used to determine whether the offender qualifies for an insufficient income waiver.

Offenders have been required to pay a daily fee for Electronic Monitoring, Residential Facility Beds and Community Release Beds, along with a monthly fee for Minimum Supervision service, do they still pay these fees?

The Electronic Monitoring Fee was eliminated in October 2007, and the Community Release Center Fee will be stopped in November 2007. The Residential Fee elimination required a contract amendment, and was delayed until January 2008. The Minimum Supervision Fee for the offender was eliminated in July 2007.

Why were these fees eliminated and who pays for these services now?

One of the goals of the Intervention Fee was to consolidate the fee used for intervention services into one flat monthly fee. The current collection activity supports the use, as does the statute, of the monthly Intervention Fee to pay for the cost of these interventions.

Where do the Intervention Fees go when they are paid?

The fees are processed by the vendor through a Missouri bank and deposited on a daily basis with the State of Missouri in the Inmate Revolving Fund (State Treasurer). The Intervention Fee is not the only source of funding associated with the Inmate Revolving Fund (Use controlled by statute and appropriation authority).

Who is the Intervention Fee vendor, how much do they get paid, and what do they do?

The vendor is Fieldware, llc. and they receive 10% of the amount collected. The following is a summary of the vendor's responsibilities and applicable monthly averages illustrating the scope of the program:

- Lock Box Processing – the vendor is responsible for receiving and processing an average of > 30,000 payments per month.
 - Commerce Bank in Kansas City is sub-contracted for this service, this program is the bank's third largest wholesale lockbox program at this time.
 - All funds are deposited into the Department's account within one business day – the funds collected for the Department never leave the State of Missouri.
 - Commerce Bank is responsible for key entry of offender DOCID numbers and birth dates in order to match payments to the proper offender accounts. Data entry clerks enter an average of > 500,000 keystrokes per month.
 - Commerce Bank is responsible for scanning all received checks, vouchers, and correspondence (front and back) and transmitting those images to the vendor with payment information on a daily basis. An average of > 120,000 images are captured each month.

- Program Management System – in order to minimize officer workload relating to this program the vendor developed, maintains, and hosts a sophisticated, custom program management system which is used by Department staff to monitor and track offender compliance.
 - Each officer has a system account and custom “home page”. The system gets an average of > 400 officer logins per business day. Accounts are “role-based” to allow access rights to be customized to the Department’s specifications.
 - Files are automatically transferred between the Department and vendor computer systems to avoid duplicate data entry.
 - The Program Management System has the following features:
 - user-friendly, web-based design which requires no specialized software to be installed on Department computers
 - fully-hosted system with redundant backup features
 - sophisticated “ToDo Item” based design to focus officer workload to tasks needing their attention
 - complete account history by offender with online images of each payment, envelope, and voucher received
 - automated officer notification of new program enrollment, offender transfer, program exit, or sentence expiration events
 - automated officer notification of offender waiver or exemption conditions as they are created or due to expire
 - automated officer notification of bad address or phone number data
 - automated officer notification of accounting exceptions
 - automated officer notification of non-payment correspondence when received/processed by the lock box facility
 - the ability to run caseload and exceptions reports in both detailed and aggregate formats with exporting to Excel or PDF
 - the ability to generate bulk mail-merged letters
 - the ability to adjust offender accounts due to data entry delays or mistakes
 - complete case event automation with auditable tracking features
 - online training and support for Department staff
- Collection Notices– the vendor prints and mails an average of > 12,500 first class pieces of mail per month to offenders with outstanding balances
 - Critical Business Solutions, a Missouri-based MBE/WBE, is sub-contracted to provide this service
- Collection Phone Calls – the vendor completes an average of > 20,000 live operator calls and > 20,000 automated calls per month to offenders with outstanding balances
 - Customer Service Representatives are trained for quality customer service and all incoming calls are recorded for quality assurance purposes
- Provide and Distribute Program Materials – the vendor supplies all program related materials.
 - supplies are shipped to > 60 Department offices across the State each month
 - return mail is sorted and distributed to > 60 Department offices across the State each month
 - system user’s manuals are distributed to Department offices as needed

- > 2,700,000 remittance envelopes, > 400,000 collections envelopes, and > 350,000 wallet cards have been printed and distributed to date
- Capitol Projects, a Missouri-based sheltered workshop, warehouses, sorts, packages and ships materials as a program sub-contractor
- Critical Business Solutions, a Missouri-based MBE/WBE, supplies all printed materials for the program
- Offender Support – the vendor provides several forms of program support for offenders.
 - offenders can call a toll-free number to check their account balance, get payment instructions, or speak with a Customer Service Representative – an average of > 5,300 offender support calls are received per month
 - offenders can email questions (mosupport@feeservice.com) to the vendor support staff
 - a web site (<http://www.feeservice.com>) provides instructions and FAQs
- Officer Support – the vendor provides several forms of program support for officers and other Department staff.
 - officers can call a toll-free number to speak with a Customer Service Representative
 - officers can email questions to the vendor support staff
 - officers can use a support page on the Program Management system to submit support requests
- Training Services – the vendor is responsible for training Department staff as necessary during both program introduction and as new features are implemented.
- Program Management – the vendor meets regularly with Department staff to refine and enhance the program.
 - The vendor was able to start collecting funds 6 weeks from program award, allowing the State to collect funds much faster than the contract required 3-4 months – resulting in an > \$3.6 million dollars in additional program billing for the State.

If an offender is paying the Intervention fee, can they also be required to pay for their own treatment in the community?

Yes. Even with the Intervention Fee, offender treatment/intervention needs exceed the agency's capacity. It is noted that when an offender seeks treatment in the community through a non-DOC contracted resource, they will usually be screened for insufficient income (For example, The Division of Alcohol and Drug Abuse uses income guidelines in their treatment contracts).

What is the current Intervention Fee collection rate and what percent of cases are waived or exempted?

- Offender collection status (10/24/07)
 - 72% of caseload in compliance
 - 28% of caseload delinquent greater than 90 days and therefore in violation status
- Offender billing status
 - 81.3% of caseload being billed
 - 3.4% of caseload exempt
 - 7.9% of caseload waived

- Total collected (January 2008): \$28,125,809
- Percent collected versus billed on a monthly basis: 68%

How have the Intervention Fees been spent in FY07 and FY08?

Intervention fees have helped fund the following FY07 appropriations:

Local Sentencing Initiative (CPR and TREND)	\$ 1,087,115
Residential Facilities (RF)	\$ 3,148,902
Electronic Monitoring	\$ 1,980,289
EM Growth Pool Switch	\$ 411,000

Intervention fees have helped fund the following FY08 appropriations:

Local Sentencing Initiative	\$ 1,087,115
Residential Facilities (RF)	\$ 3,148,902
Electronic Monitoring	\$ 1,494,821
EM Growth Pool Switch	\$ 485,468
ADA Treatment	\$ 777,897
OPTS Contract	\$ 400,000
ICVC Classes	\$ 240,000
RF Increase	\$ 1,840,556
MRP ID Project	\$ 306,374
IF Fee Collection	\$ 1,500,000
Minimum Contract	\$ 816,000
Mental Health Pilot Project	\$ 125,350
Total Intervention Services	\$12,222,483

Does the agency expect all of the Intervention Fees collected during FY07 and FY08 to be fully expended through the current intervention service contracts?

No, which is why the agency will be requesting additional spending authority for more intervention services to meet offender needs during FY09.

Why is there a surplus at this time requiring additional spending authority in FY09?

The agency has experienced better than expected collection of fees. The program is also relatively new and the agency did not want to over-commit funds, through additional spending authority, prior to establishing a payment history.

Why are the services that are developed through the Intervention Fee important?

Meeting the needs of high need offenders in the community, through programming based on evidence-based practices is cost efficient as it helps to prevent supervision failure and assignment to prison. The fee allows offenders to collectively support each other while not increases the taxes of law-abiding Missouri citizens to support intervention needs.